

moved their operations to the Inland Empire. If their employees were resident in Los Angeles County and did not choose to move to Riverside/San Bernardino, they would become Eastbound commuters.

- The Riverside/San Bernardino MSA was the only area in the SCAG region that added jobs during the 1991-93 recession, while Los Angeles County was the hardest hit by job losses. Thus it would not be surprising if unemployed workers from Los Angeles County applied for and found work in the Inland Empire during the recession.

The second explanation gives reason to be cautious about concluding that the recent trend will persist into the future. In his recent communication to *Employment Trends Monthly*, Dr. Husing states that reverse commuting into Riverside/San Bernardino MSA is likely to be a temporary phenomenon:

As soon as Los Angeles County begins reaching normal growth levels, you will undoubtedly see more East to West commuting. In addition, sooner or later there will be another round of affordable housing out-migration to the Inland Empire, creating a future pool of [west-bound] commuters.

The Index of Regional Leading Economic Indicators

The CSU Long Beach Office of Economic Research reports that the **Index of Regional Leading Economic Indicators** has increased for the second month in a row, to 95.6 in September from 95.5 in August and 95.3 in July. The index was unchanged from its year-ago level.

In general, it takes three consecutive moves of the index in the same direction to constitute evidence of the likely future direction of the regional economy. The September and August upticks in the index followed a five-month string of downward moves, meaning that the weight of evidence still indicates that the regional economy could begin to slow down in six months or so. More successive months of upward movement in the index will be required to rule out this possibility.

For additional information and comment on the Index of Regional Leading Economic Indicators, Please contact Lisa Grobar (310) 985-1652, Joseph Magaddino (310) 985-8136, or Peter Griffin (310) 985-4783, professors of Economics and authors of the index.

Note to Our Readers

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